



California Fair Political Practices Commission

October 2, 1989

Robert M. Hinshaw, Treasurer
Friends of Larry Stirling
P.O. Box 1721
La Mesa, CA 92044

Re: Your Request for Advice
Our File No. A-89-097

Dear Mr. Hinshaw:

In February 1989, you first wrote to us concerning the effect of Government Code Section 85306, as added by Proposition 73,^{1/} on the use of campaign funds received prior to January 1, 1989. This topic has been the subject of litigation for the last several months. We have included your name on our mailing list for Propositions 68 and 73, and thereby attempted to keep you informed of the Commission's interpretation of the law during this time period. The purpose of this letter is to inform you of the most recent development on this issue.

On September 14, 1989, a federal court ruled that Section 85306 is unconstitutional and enjoined the Fair Political Practices Commission from enforcing that law. (Service Employees International Union v. Fair Political Practices Commission, Case No. CIVS 89-0433 LKK-JFM, U.S. District Court, Eastern District of California.) A copy of the court order is enclosed.

Accordingly, campaign funds received prior to January 1, 1989 may now be used to support or oppose a candidacy for elective office. We caution that candidates and elected officers who possess those funds may not use them to make contributions to any other candidate for elective office. (Section 85304.) We also caution that these funds may not be used for personal expenditures, as defined in Elections Code Sections 12400-12407.

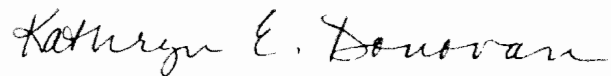
Attached is a Commission advice letter which explains the procedures for transferring these funds to a current campaign account.

^{1/} Proposition 73 was adopted by the voters in June 1988. It amended the Political Reform Act (Government Code Sections 81000-91015.) All references are to the Government Code unless otherwise indicated.

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If you have any questions concerning this letter, please contact the Commission's Technical Assistance and Analysis Division at (916) 322-5662.

Sincerely,

A handwritten signature in cursive script that reads "Kathryn E. Donovan".

Kathryn E. Donovan
General Counsel

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FMS THE FAIR POLITICAL PRACTICES COMMISSION, DLR
ATTENTION JOHN LARSON, CHAIRMAN RPT DLY MGM, DLR
428 J ST SUITE 800
SACRAMENTO CA 95804

WE ARE DOING OUR BEST TO COMPLY WITH NEW CAMPAIGN FUNDING LAWS BUT
CONTINUE TO RECEIVE CONFLICTING INSTRUCTIONS.

ONE DAY WE ARE TOLD TO SEGREGATE FUNDS AND THE NEXT NOT TO SEGREGATE.
THE PICTURE IS NOT CLEAR ABOUT EXPENDITURES THAT CAN OR CANNOT BE
MADE FROM FUTURE CAMPAIGN ACCOUNTS VS THE OFFICE HOLDER ACCOUNT.
WE DO NOT KNOW HOW TO EFFECTIVELY COMPLY. WE NEED YOUR HELP AND
COMPLETE INSTRUCTIONS.

ROBERT M HINSHAW, TREASURER
FRIENDS OF LARRY STIRLING
POST OFFICE BOX 1721
LA MESA, CA 92044
PO BOX 1721
LA MESA CA 92044

1412 EST

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IPX18CA



California Fair Political Practices Commission

February 14, 1989

Robert M. Hinshaw
Friends of Larry Stirling
P.O. Box 1721
La Mesa, CA 92044

Re: Letter No. 89-097

Dear Mr. Hinshaw:

Your letter requesting advice under the Political Reform Act was received on February 14, 1989 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact Kathryn Donovan an attorney in the Legal Division, directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329.)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Diane M. Griffiths", is written over the typed name.

Diane M. Griffiths
General Counsel

DMG:plh